

ABSTRACT

A system and method for the efficient transfer of a gift to a charity is disclosed. One embodiment of the system and method implements a charitable gift transfer plan comprising causing the issuance of common and preferred shares from a business entity such as a limited liability company. The common shares are then donated to the charity. A life insurance policy and a single-premium immediate annuity are purchased through the business entity. The purchases may be funded through a loan from a lender company. The payments from the annuity may be partially used to pay the interest on the loan, with the remainder being directed to the charity through the business entity. The death benefit of the life insurance policy is assigned to the owner of the preferred shares and may be used to retire the loan upon the death of the insured.